

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2006

	February-06				January-06				December-05				September-05				Current Fiscal YTD	Prior Year FY05	3 Years Ended 6/30/2005	5 Years Ended 6/30/2005
	Allocation		Month		Allocation		Month		Allocation		Quarter		Allocation		Quarter					
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	Net	
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
LA Capital	2,240,087	5.1%	5.1%	-1.13%	2,264,044	5.1%	5.1%	4.37%	2,190,500	5.2%	5.1%	3.42%	2,197,481	5.3%	5.1%	5.64%	12.73%	8.17%	N/A	
Total Structured Growth	2,240,087	5.1%	5.1%	-1.13%	2,264,044	5.1%	5.1%	4.37%	2,190,500	5.2%	5.1%	3.42%	2,197,481	5.3%	5.1%	5.64%	12.73%	8.17%	8.30%	
Russell 1000 Growth				-0.16%				1.76%				2.98%				4.01%	8.82%	1.67%	7.25%	
Structured Value																				
LSV	2,313,246	5.2%	5.1%	0.48%	2,303,659	5.2%	5.1%	4.72%	2,221,117	5.3%	5.1%	2.42%	2,183,339	5.3%	5.1%	4.82%	12.96%	18.24%	14.45%	
Russell 1000 Value				0.61%				3.88%				1.27%				3.88%	9.95%	14.06%	11.00%	
Enhanced Russell 1000 Index																				
LA Capital	3,041,149	6.9%	6.9%	-1.20%	3,063,352	6.9%	6.9%	4.54%	2,959,119	7.0%	6.9%	2.69%	2,949,694	7.1%	6.9%	6.85%	13.32%	7.39%	8.78%	
Russell 1000				0.22%				2.80%				2.12%				3.95%	9.37%	7.92%	9.19%	
Enhanced S&P 500 Index																				
Northern Trust	2,985,392	6.8%	6.9%	0.49%	2,970,104	6.7%	6.9%	2.28%	2,933,322	6.9%	6.9%	2.57%	2,875,844	6.9%	6.9%	3.81%	9.45%	6.02%	8.16%	
Westridge	2,992,085	6.8%	6.9%	0.28%	2,985,017	6.8%	6.9%	2.68%	2,935,482	6.9%	6.9%	2.10%	2,869,302	6.9%	6.9%	3.65%	8.96%	6.66%	8.57%	
Total Enhanced S&P 500 Index	5,977,477	13.6%	13.7%	0.38%	5,955,121	13.5%	13.7%	2.48%	5,868,803	13.9%	13.7%	2.33%	5,745,146	13.8%	13.7%	3.73%	9.20%	6.26%	8.87%	
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	8.28%	
S&P 500 Index																				
State Street	1,500,575	3.4%	3.4%	0.27%	1,496,538	3.4%	3.4%	2.65%	1,472,396	3.5%	3.4%	2.07%	1,439,516	3.5%	3.4%	3.61%	8.85%	6.34%	8.30%	
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	8.28%	
TOTAL LARGE CAP DOMESTIC EQUITY	15,072,534	34.2%	34.3%	-0.16%	15,082,715	34.2%	34.3%	3.53%	14,711,936	34.8%	34.3%	2.55%	14,515,177	34.9%	34.3%	4.78%	11.06%	8.65%	9.54%	
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	8.28%	
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	5,043,912	11.4%	10.7%	-0.08%	5,050,366	11.5%	10.7%	9.05%	4,630,572	11.0%	10.7%	0.97%	4,580,471	11.0%	10.7%	5.48%	16.03%	9.36%	13.65%	
Russell 2000 + 200bp				-0.11%				9.13%				1.64%				5.21%	16.57%	11.64%	15.07%	
TOTAL SMALL CAP DOMESTIC EQUITY	5,043,912	11.4%	10.7%	-0.08%	5,050,366	11.5%	10.7%	9.05%	4,630,572	11.0%	10.7%	0.97%	4,580,471	11.0%	10.7%	5.48%	16.03%	9.36%	13.65%	
Russell 2000				-0.28%				8.97%				1.13%				4.69%	15.06%	9.45%	12.81%	
INTERNATIONAL EQUITY																				
Large Cap - Core																				
State Street	144,506	0.3%	0.3%	-0.30%	144,906	0.3%	0.3%	6.53%	136,000	0.3%	0.3%	4.44%	136,195	0.3%	0.3%	10.65%	22.74%	7.68%	7.31%	
MSCI EAFE (1)				-0.22%				6.14%				4.08%				10.38%	21.67%	9.59%	7.29%	
Large Cap - Active																				
Capital Guardian	430,058	1.0%	0.9%	-0.99%	434,737	1.0%	0.9%	4.91%	413,833	1.0%	0.9%	9.43%	407,620	1.0%	0.9%	11.82%	27.11%	11.23%	7.35%	
LSV	433,436	1.0%	0.9%	1.65%	426,717	1.0%	0.9%	5.90%	402,975	1.0%	0.9%	4.29%	405,624	1.0%	0.9%	11.55%	25.22%	N/A	N/A	
Bank of Ireland	144,086	0.3%	0.3%	0.59%	143,398	0.3%	0.3%	6.78%	134,409	0.3%	0.3%	3.28%	131,150	0.3%	0.3%	6.99%	18.69%	12.20%	N/A	
Total Large Cap - Active	1,007,579	2.3%	2.1%	0.36%	1,004,852	2.3%	2.1%	5.59%	951,217	2.3%	2.1%	6.36%	944,394	2.3%	2.1%	11.02%	25.13%	13.74%	8.14%	
MSCI EAFE - 50% Hedged				0.40%				4.98%				5.84%				11.07%	23.90%	14.41%	8.84%	
Small Cap - Active																				
Lazard	142,996	0.3%	0.3%	-0.36%	143,700	0.3%	0.3%	7.14%	134,012	0.3%	0.3%	2.89%	134,246	0.3%	0.3%	9.65%	20.43%	19.82%	N/A	
Wellington	146,607	0.3%	0.3%	-0.77%	147,987	0.3%	0.3%	6.73%	138,623	0.3%	0.3%	5.95%	131,822	0.3%	0.3%	8.08%	21.28%	12.00%	N/A	
Total Small Cap - Active	289,603	0.7%	0.6%	-0.57%	291,687	0.7%	0.6%	6.93%	272,635	0.6%	0.6%	4.41%	266,068	0.6%	0.6%	8.88%	20.86%	15.90%	N/A	
Citigroup Broad Market Index < \$2BN				-1.10%				6.20%				8.94%				12.05%	28.20%	21.33%	N/A	
TOTAL INTERNATIONAL EQUITY	1,441,688	3.3%	3.0%	0.10%	1,441,445	3.3%	3.0%	5.95%	1,359,852	3.2%	3.0%	5.77%	1,346,657	3.2%	3.0%	10.56%	24.03%	13.12%	10.28%	
MSCI EAFE - 50% Hedged				0.40%				4.98%				5.84%				11.07%	23.90%	14.41%	8.84%	
EMERGING MARKETS EQUITY																				
Core																				
Capital Guardian	-	0.0%	0.5%	0.27%	139,319	0.3%	0.5%	11.11%	125,393	0.3%	0.5%	9.92%	534,210	1.3%	1.1%	16.25%	42.37%	33.94%	22.44%	
Ishares-Index Fund (temporary)	123,818	0.3%	0.3%	-2.11%	126,334	0.3%	0.3%	15.32%	109,555	0.3%	0.3%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	
JP Morgan	124,107	0.3%	0.3%	-1.73%	126,043	0.3%	0.3%	13.09%	111,380	0.3%	0.3%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	
PanAgora	107,292	0.2%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	
UBS	236,615	0.5%	0.5%	-0.34%	236,977	0.5%	0.5%	11.29%	212,761	0.5%	0.5%	7.63%	185,941	0.4%	0.4%	N/A	N/A	N/A	N/A	
Total Core	591,833	1.3%	1.5%	-0.84%	628,672	1.4%	1.5%	12.40%	559,089	1.3%	1.5%	8.68%	720,152	1.7%	1.5%	17.05%	41.78%	33.94%	22.44%	
MSCI Emerging Markets				-0.10%				11.23%				7.20%				18.11%	40.70%	34.89%	24.42%	
Small Cap																				
DFA	132,371	0.3%	0.3%	0.99%	140,831	0.3%	0.3%	9.59%	128,432	0.3%	0.3%	8.16%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	
MSCI Emerging Markets				-0.10%				11.23%				7.20%				18.11%	40.70%	34.89%	24.42%	
TOTAL EMERGING MARKETS EQUITY	724,204	1.6%	1.5%	-0.51%	769,504	1.7%	1.5%	11.87%	687,521	1.6%	1.5%	8.22%	720,152	1.7%	1.5%	17.05%	40.99%	33.94%	22.44%	
MSCI Emerging Markets				-0.10%				11.23%				7.20%				18.11%	40.70%	34.89%	24.42%	
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	1,852,263	4.2%	3.9%	0.31%	1,789,544	4.1%	3.9%	0.40%	1,782,426	4.2%	4.2%	0.24%	1,580,068	3.8%	4.0%	-0.48%	0.47%	7.25%	7.46%	
Lehman Aggregate				0.33%				0.01%				0.59%				-0.67%	0.25%	6.80%	5.75%	
Index																				
Bank of ND	3,724,813	8.4%	10.0%	0.28%	3,632,006	8.2%	10.0%	-0.20%	3,639,093	8.6%	10.0%	0.64%	3,248,692	7.8%	8.8%	-0.93%	-0.22%	7.23%	6.11%	
Bank of ND Match Loan CD Program	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	508,143	1.2%	1.2%	1.28%	N/A	5.08%	5.33%	
Total Index	3,724,813	8.4%	10.0%	0.28%	3,632,006	8.2%	10.0%	-0.20%	3,639,093	8.6%	10.0%	0.83%	3,756,835	9.0%	10.0%	-0.43%	0.47%	6.91%	5.88%	
Lehman Gov/Credit				0.27%				-0.18%				0.60%				-0.96%	-0.28%	7.26%	6.41%	
Convertibles																				
TCW	1,879,380	4.3%	4.0%	-1.16%	1,854,439	4.2%	4.0%	3.55%	1,789,948	4.2%	4.2%	1.16%	1,599,139	3.8%	3.9%	2.95%	6.58%	-0.23%	8.73%	
Merrill Lynch All Convertibles				-0.23%				4.12%				0.46%				4.15%	8.68%	0.66%	9.94%	

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	February-06				January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	6/30/2005 Net	6/30/2005 Net
BBB Average Quality																				
Wells Capital	1,863,193	4.2%	3.9%	0.57%	1,776,041	4.0%	3.9%	-0.01%	1,775,731	4.2%	4.2%	0.56%	1,558,632	3.8%	4.0%	-1.65%	-0.55%	12.04%	9.22%	8.81%
Lehman BBB				0.64%				-0.13%				0.39%				-0.97%	-0.08%	8.60%	9.16%	7.86%
Private Debt																				
Prudential	1,845,762	4.2%	4.2%	0.27%	1,782,885	4.0%	4.0%	-0.09%	1,785,162	4.2%	4.2%	0.82%	1,547,831	3.7%	3.7%	-0.27%	0.72%	N/A	N/A	N/A
Lehman Aggregate				0.33%				0.01%				0.59%					0.25%	N/A	N/A	N/A
Timberland																				
RMK	1,599,820	3.6%	3.6%	-0.08%	1,595,350	3.6%	3.6%	5.56%	1,510,168	3.6%	3.6%	-6.09%	1,691,648	4.1%	4.1%	-0.24%	-1.18%	14.50%	12.47%	N/A
TIR	4,615,437	10.5%	10.5%	-0.03%	4,619,458	10.5%	10.5%	13.19%	4,080,110	9.7%	9.7%	3.19%	4,252,495	10.2%	10.2%	-0.09%	16.65%	N/A	N/A	N/A
Total Timberland	6,215,257	14.1%	14.1%	-0.04%	6,214,808	14.1%	14.1%	11.13%	5,590,278	13.2%	13.2%	0.55%	5,944,143	14.3%	14.3%	-0.13%	11.54%	44.29%	21.48%	N/A
NCREIF Timberland Index				0.00%				0.00%									13.04%	14.07%	7.31%	N/A
TOTAL DOMESTIC FIXED INCOME	17,380,668	39.4%	40.0%	0.04%	17,049,722	38.7%	40.0%	4.18%	16,362,637	38.7%	40.0%	0.68%	15,986,648	38.5%	40.0%	-0.19%	4.73%	19.23%	11.83%	8.92%
Lehman Aggregate				0.33%				0.01%				0.59%				-0.67%	0.25%	6.80%	5.75%	7.40%
HIGH YIELD BONDS																				
Loomis Sayles	762,943	1.7%	1.8%	1.46%	751,331	1.7%	1.8%	2.25%	736,952	1.7%	1.8%	1.36%	730,191	1.8%	1.8%	1.24%	6.45%	15.96%	N/A	N/A
Lehman High Yield Cash Pay Index				0.98%				1.19%				0.80%				0.99%	4.02%	10.83%	N/A	N/A
Sutter/Wells Capital	748,271	1.7%	1.8%	0.98%	741,591	1.7%	1.8%	1.32%	732,625	1.7%	1.8%	1.38%	719,462	1.7%	1.8%	0.31%	4.04%	9.62%	N/A	N/A
Merrill Lynch High Yield Master II Index				0.98%				1.19%				0.80%				0.99%	4.02%	10.63%	N/A	N/A
TOTAL HIGH YIELD BONDS	1,511,213	3.4%	3.5%	1.22%	1,492,922	3.4%	3.5%	1.78%	1,469,577	3.5%	3.5%	1.37%	1,449,653	3.5%	3.5%	0.77%	5.25%	12.76%	13.38%	5.52%
Lehman High Yield Bond Index				0.98%				1.19%				0.80%				0.99%	4.02%	10.86%	14.51%	7.47%
INTERNATIONAL FIXED INCOME																				
International Sovereign																				
UBS Global (Brinson)	371,093	0.8%	1.0%	-0.58%	373,556	0.8%	1.0%	1.54%	367,776	0.9%	1.0%	-2.54%	377,538	0.9%	1.0%	-1.08%	-2.69%	7.92%	11.22%	8.24%
Citigroup Non-US Gov't Bond Index (2)				-0.69%				1.72%				-2.61%				-1.24%	-2.83%	7.75%	10.98%	7.92%
International Core																				
Brandywine	392,647	0.9%	1.0%	0.80%	389,581	0.9%	1.0%	1.87%	383,044	0.9%	1.0%	-0.22%	383,667	0.9%	1.0%	0.80%	3.29%	11.78%	N/A	N/A
Lehman Global Aggregate (ex-US)				2.08%				2.08%				-2.39%				-0.86%	0.85%	8.10%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	763,740	1.7%	2.0%	0.12%	763,136	1.7%	2.0%	1.71%	750,820	1.8%	2.0%	-1.36%	761,205	1.8%	2.0%	-0.15%	0.30%	9.84%	12.08%	8.74%
Citigroup Non-US Gov't Bond Index (2)				-0.69%				1.72%				-2.61%				-1.24%	-2.83%	7.75%	10.98%	7.92%
REAL ESTATE																				
INVESCO	654,779			0.00%	654,779			-0.09%	654,945			1.73%	644,857			7.19%	8.94%	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	686,997			1.18%	679,017			1.20%	670,504			4.94%	638,969			6.33%	14.24%	19.52%	12.70%	10.44%
J.P. Morgan Alternative Property Fund	37,949			0.00%	37,949			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	1,379,724	3.1%	3.0%	0.58%	1,371,745	3.1%	3.0%	0.56%	1,325,450	3.1%	3.0%	3.33%	1,283,826	3.1%	3.0%	6.76%	11.59%	19.52%	12.70%	10.44%
NCREIF TOTAL INDEX				1.78%				1.78%				5.43%				4.44%	14.06%	18.02%	12.07%	10.81%
ALTERNATIVE INVESTMENTS																				
Coral Partners V	22,402			0.00%	23,743			0.00%	24,206			1.43%	25,142			0.01%	1.44%	-18.97%	-24.36%	-22.64%
Coral Partners V - Supplemental	2,217			0.00%	2,831			0.00%	2,886			-1.04%	3,072			-7.36%	-8.32%	-6.85%	-4.52%	N/A
Coral Partners VI	33,169			0.00%	34,871			0.00%	28,946			2.13%	24,640			-1.55%	0.55%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	7,069			0.00%	7,356			0.00%	7,500			3.50%	7,633			3.17%	6.78%	19.64%	3.73%	-1.83%
Brinson 1999 Partnership Fund	11,890			0.00%	12,373			0.00%	12,615			0.64%	14,894			2.44%	3.10%	9.31%	1.61%	-4.71%
Brinson 2000 Partnership Fund	28,057			0.00%	29,197			0.00%	29,767			3.70%	30,388			6.45%	10.39%	14.97%	3.21%	-0.80%
Brinson 2001 Partnership Fund	17,376			0.00%	19,608			0.00%	19,991			2.53%	17,963			3.91%	6.53%	4.00%	1.40%	N/A
Brinson 2002 Partnership Fund	9,467			0.00%	10,806			0.00%	11,017			3.38%	11,227			3.47%	6.97%	-4.22%	6.13%	N/A
Brinson 2003 Partnership Fund	3,118			0.00%	2,661			0.00%	2,713			5.26%	2,234			7.59%	13.25%	1.71%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	5,418			0.00%	6,229			0.00%	6,350			-1.05%	6,761			-5.55%	-6.54%	32.09%	21.85%	11.30%
Brinson 2000 Non-US Partnership Fund	8,978			0.00%	9,343			0.00%	9,525			7.48%	9,336			-0.69%	6.74%	15.57%	13.45%	4.88%
Brinson 2001 Non-US Partnership Fund	8,598			0.00%	8,276			0.00%	8,437			3.98%	10,238			9.11%	13.45%	9.19%	8.24%	N/A
Brinson 2002 Non-US Partnership Fund	13,516			0.00%	14,297			0.00%	14,576			15.23%	12,138			-0.04%	15.18%	12.60%	12.07%	N/A
Brinson 2003 Non-US Partnership Fund	6,769			0.00%	7,044			0.00%	7,182			12.34%	6,735			0.61%	13.03%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	2,540			0.00%	2,643			0.00%	2,694			9.37%	1,761			4.09%	13.84%	0.42%	N/A	N/A
Brinson BVCF IV	40,532			0.00%	42,180			0.00%	42,100			8.77%	40,777			10.29%	19.96%	6.06%	3.14%	-7.20%
Matlin Patterson Global Opportunities	36,928			0.00%	38,429			0.00%	39,179			-1.36%	43,089			-8.79%	-10.03%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	41,363			0.00%	32,762			0.00%	34,956			0.00%	36,845			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	10,476			0.00%	10,902			0.00%	11,114			0.00%	11,709			0.00%	0.00%	-18.88%	-13.16%	N/A
Hearthstone MSII	1,496			0.00%	0			0.00%	0			0.00%	1,850			0.00%	0.00%	1214.92%	179.43%	90.03%
Hearthstone MSIII	22,823			0.00%	22,551			0.00%	22,991			7.40%	33,669			4.53%	12.27%	16.51%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	334,200	0.8%	1.0%	0.00%	338,102	0.8%	1.0%	0.00%	338,745	0.8%	1.0%	3.62%	352,099	0.8%	1.0%	1.64%	5.32%	17.54%	3.01%	-3.42%
CASH EQUIVALENTS																				
Northern Trust STIF/STEP	448,997	1.0%	1.0%	0.31%	748,280	1.7%	1.0%	0.43%	634,912	1.5%	1.0%	0.85%	553,273	1.3%	1.0%	0.89%	2.51%	2.19%	1.82%	2.72%
90 Day T-Bill				0.33%				0.32%				0.92%				0.83%	2.41%	2.15%	1.55%	2.62%
TOTAL FUND	44,100,881	100.0%	100.0%	0.01%	44,107,936	100.0%	100.0%	4.34%	42,272,023	100.0%	100.0%	1.70%	41,549,160	100.0%	100.0%	3.01%	9.32%	13.81%	11.53%	4.95%
POLICY TARGET BENCHMARK				0.23%				2.27%				1.46%				2.16%	6.24%	8.15%	8.59%	3.87%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.